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Ontario Hydro-Electric Inquiry  
Commission, 1922-1924

J. ALLAN ROSS  
Commissioner

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(HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO)

Reports on investigation of account



MEMORANDUM re, RIGHT-OF-WAY OF CHIPPAWA PLANT  
(Dated July 17th, 1922)

*Price, Waterhouse & Co.*

ROYAL BANK BUILDING  
TORONTO, ONT., CANADA





# PRICE, WATERHOUSE & Co.

CANADA, UNITED STATES, MEXICO,  
GREAT BRITAIN.

CONTINENTAL EUROPE, ETC.  
PRICE, WATERHOUSE, PEAT & CO.  
SOUTH AMERICA  
PRICE, WATERHOUSE, FALLER & CO.  
ALSO, GREAT BRITAIN  
W. B. PEAT & CO.

ROYAL BANK BUILDING

TORONTO

July 17th, 1922.

Messrs. Walter J. Francis & Company,  
110 Elm Street,  
Toronto, Ontario.

Dear Sirs:

## RIGHT-OF-WAY - COST OF LAND - CHIPPAWA PLANT

As arranged we are enclosing our working papers in connection with the above matter in respect of which we received instructions from you under date of June 9th 1922. Such further information as may come to hand to complete the portion of the work upon which we are reporting in the attached memorandum, will be forwarded to you upon receipt.

For your convenience one copy of the memorandum has been attached at the head of the working papers and one copy has been separately bound.

We shall be glad to further cooperate with you in the preparation of any additional data in connection with the right-of-way which you may consider desirable; also to explain any details in the working papers which may not be clearly set forth.

Yours very truly,

*Price, Waterhouse & Co.*





HYDRO ELECTRIC POWER COMMISSION OF ONTARIO  
MEMORANDUM RE RIGHT-OF-WAY OF CHIPPAWA PLANT

INSTRUCTIONS RECEIVED AS PER MEMORANDUM UNDER DATE OF JUNE 9, 1922

In respect of the right-of-way of the Chippawa plant -

A list of the properties giving the acreage, ownership, title, total cost, and physical characteristics of each parcel of land.

Present use and occupancy of each parcel of land.

Were payments made in cash or by cheque and by whom.

Upon completion of the investigation a separate memorandum will be submitted dealing with the following subjects included in your instructions of June 9, 1922 -

The system of purchasing  
The organization of purchasing  
The personnel of the organization together with  
the vocation of the various individuals  
The period of time occupied in purchasing (in  
respect of each individual)

MEMORANDUM RELATIVE TO INVESTIGATION

As arranged, we are enclosing herewith our hand-written working schedules in respect of the list of properties included in the right-of-way of the Chippawa plant.

At the head of the working papers is an index, not only to the attached working papers but also to the Deed record book of the Hydro Commission and to the deed plan map forming a part of your engineering records. The red ink number in the column headed "P. E. & Co. Page", is the page reference to the underlying working schedules, of the three columns under the caption of "Hydro Record", the "Page" refers to the deed record book page, the "Map Number" to the deed plan map, and the "Price" to the consideration for the respective properties stated on the detailed pages of the deed record book. The "Price" figures on the index do not form part of the accounting records. The index includes the following:





MEMORANDUM RELATIVE TO INVESTIGATION  
(Continued)

- (1) Properties on the Deed Plan Map which are not on the Accounting Records of the Right-of-Way of the Chippawa Plant, details of which are shown on Schedule "A" attached.
- (2) Properties shown on Deed Record Book Index and on the Deed Plan Map but in respect of which the Hydro-Electric Power Commission is not the grantee. These are shown on Schedules "B-1 and 2" attached.
- (3) Properties represented in the Accounting Records of the Right-of-way of the Chippawa plant as per details on Schedules "C-1 to C-53".

In addition to the above we have shown on Schedules "D-1" to "D-9" transcripts from cheques issued in payment of the respective properties, and on Schedule "E" a list of leases for which the original documents have not, as yet, been produced to us. In this connection we would state that the information on the "C" schedule in the column headed "Present use and Occupancy" has been taken from such leases as have been presented to us by representatives of the Hydro Commission.

The schedules have been prepared from the accounts of the Hydro-Electric Power Commission of Ontario using, in the main, as a guide, the account termed "Right-of-Way - Cost of Land" of the Chippawa plant. In the support of the Accounting Records we have examined the deeds for information in respect of previous ownership, location, acreage, reservations, restrictions, qualifications, registration, title, consideration and general remarks. In this connection we would state that we have not examined the deeds to determine that they are valid or for any other legal points which may require consideration as this is not within our province as accountants. We have examined the cancelled cheques issued in payment for the respective properties and the list thereof is shown on schedules "D-1" to "D-9". Through the cooperation of one member of your organization and of one member of our organization the "C" schedules have been compared with the deed plan map to afford the assurance that properties included in the physical right-of-way have also been included in the accounting records relative thereto.





At the left-hand side of the "D" schedules we have indicated the page of the "C" schedules on which the respective cheques may be traced to the property to which they are applicable. Should reference thereto be desirable in similar manner in the amount column on the "C" schedules, we have cross-indexed the respective items so that particulars relative to any cheque may be readily obtained by reference to the "D" schedules.

For your general information we would state that where entries have been made in red ink they indicate credits or deductions. With the exception of the following, all credits have been entered against the charges which they are intended to reduce:

<u>Page</u>	<u>Particulars</u>	<u>Amount</u>
C-19	Sale of building to G. J. Hollenies (inclusion in the right-of-way accounts subject to question)	\$ 100.00
C-33	No particulars obtainable	3.00
C-34	Sale of barn to Mike Gueick	50.00
C-40	Sale of shack on Bridgewater Street Chippawa, to T. D. Greenwood	25.00

Certain properties were sold under date of December 1919 to the Queen Victoria Niagara Falls Park Commission for the sum of \$99,683 (C-43) and they have been included on the "C" schedules without apportioning this credit, in respect of which, we have been informed, subdivision may be made as follows:

<u>Page</u>	<u>Name</u>			
C-18	Hancy C. Glasgow	42.74	\$338	\$ 14,446.00
C- 3	Mary E. Morrison (Elizabeth T. Roberts and Janet C. Parker)	.66	250	165.00
C- 1	Galvin Roberts, Administrator	148.19	200	20,639.00
C- 2	William Bracken	15.24	200	3,048.00
C-25	Charles Murray	25.41	400	6,164.00
C- 4	Alice W. Larkin	60.00	250	15,000.00
C- 1		40.00	377	15,080.00
		322.24		
				\$ 83,541.00
	Survey, Purchase and carrying charges at \$50.00 per acre			16,112.00
				<u>\$ 99,653.00</u>

In view of the fact that charges have not been made to the right-of-way account incident to surveying, purchasing and for sundry expenses, the above credit of \$16,112.00 might properly be transferred to the account to which any such expenses have previously been charged.





Your attention is directed to the following items appearing on the

"G" schedules:

Page

- G-1 Larkin property - \$10,000.00-**  
The method of valuation of this property is set forth on Schedule C-1a
- G-22 J. B. Larkin property - \$22,589.00-**  
It should be noted in connection with this property that stone was given as part of the consideration. As yet we have not ascertained what accounting was made for the stone, or if it has yet been delivered.
- G-41 Paine property - 137,388.10-**  
The following is quoted from the working papers "Under date of October 1, 1918, J. C. Cadman placed a value of \$75.00 per acre upon this property including buildings, whereas in 1919 it was sold for \$175.00 as acre to the Commission"
- G-43 Canada Southern Railway Company and the Michigan Central Railway Company property (known as the Michigan Central Gravel Pit Farm).**  
Reference should be made to page C-43a in respect of this property.  
On C-43 - the acreage is not stated in the deed but in the deed record book it is shown as 92.486 acres, while on C-43a it is stated that the  
sand pit acreage is 12.8  
and other lands 75.6  
or a total of 102.4 acres  
The apparent error of approximately 10 acres is being investigated.

Page

- G-48 Dixon property - \$7,000.15 -**  
The deed to this property clearly states that the property is sold subject to existing mortgage of \$3,500 which sum was to be withheld from the purchase price. However, under date of April 8, 1922, cheque was issued to Bank of Montreal for \$3,516.93 including interest, in payment of draft in favor of Mrs. Frank, Mortgagor, and amount charged right-of-way account. This latter amount is now included in the amount of \$7,000.15. From information available it would appear that the deed is in error and required to be corrected.
- G-18 Gretty Estate - \$1,000.00 -**  
From information now available this charge is a part of the purchase price of the Niagara conduit system and was included in this account in error, correction thereof being made by the Commission in 1922. We have made this adjustment in our schedules as at March 31, 1922.





Following are instances where the name of the payee on the bank cheque differed from the name obtained from an inspection of the deeds stated under the caption of "previous ownership":

<u>Page</u>	<u>Previous Ownership</u>	<u>Name of payee</u>
C-43	The Canadian Southern Railway Co.) and The Michigan Central Railroad Co.)	Chandera, Terrance and Kingsmill
C-53	Habel Florence Foulkes	H. W. Geary

The following charges have been made to the right-of-way, cost of land account in respect of rights, easements, privileges, etc:

<u>Page</u>	<u>Amount</u>	<u>For</u>
C-20	50.00	Pole rights
C-21	712.07	Cost of Diverting telegraph line
C-22	370.00	Six easements
C-23	420.00	Five easements
C-24	330.00	Two easements
C-24	415.00	Three easements
C-27	80.00	Easement
C-28	50.00	Easement
C-29	10.00	Fees for order re crossing of highway
C-32	620.00	Three easements
C-33	50.00	Easement
C-34	112.00	Moving Houses, etc.
C-34	200.00	Moving Houses, etc.
C-34	200.00	Easement
C-34	150.00	Permission to move building, etc.
C-35	750.00	Compensation for claim for damage to property
C-35	250.00	For privilege of dumping waste material
C-39	300.00	Settlement of damage claim
C-41	29.05	Moving boat-house on right-of-way
C-42	400.00	Moving building
C-47	30.25	Cents and expenses
C-47	50.00	Settlement of claim

All debts were produced for our inspection for the properties included in the right-of-way.

In examining the accounting records upon which we are reporting as at March 31, 1922, we noticed further charges in the account of right-of-way subsequent to that date and during the month of May, 1922, but which we have not included in our schedules, as follows:





Lafayette L. Grove - 120.48 acres in Township of  
Stanford being part of  
Lots Nos. 220 and 221 -  
Survey Department - No. 3021 \$ 50,000.

Catherine McKennis - 2 lots on the north side of  
Water Street in the Village  
of Chippawa, one lot known  
as "Cummings" lot and the  
other as "lot No. 13" \$,960.

In addition to the right-of-way, cost of land account, other right-of-way accounts appeared in the detailed trial balance of the construction ledgers in connection with the Chippawa Plant and they are described in the following:

<u>Account Number</u>	<u>Account</u>	<u>Balance</u>	<u>Description</u>
7900	Canals, right-of-way, real estate	10.00	Materials in connection with raising of the Ontario Power Company's lines to allow passage of canal
7901	Canals, right-of-way, real estate	4,550.78	Expenses clearing land to allow passage of canal from Queenston to Chippawa Labor \$ 6,861.20 Material 3,676.87 <u>\$12,758.07</u> Less- Sand, Gravel stones, etc. sold \$6,207.29 <u>\$ 4,550.78</u>
2501	Power House General right-of-way	50.25	Labor of earth excavation in connection with Queenston Power House, charge subsequent- ly transferred to account of power house substructure.
4900	Construction Power- right-of-way	300.00	Privilege of erecting piles over lots in Stanford to ship

On Schedule "A" is a list of properties included on the dead plan map but which are not charged to the right-of-way account of the Chippawa Plant. The properties were purchased either in connection with the linking up of the





plants of the Ontario Power Company, the Canadian Niagara Power Company and the Electric Development Company or in connection with the Queenston-Falls View transmission line.

For your convenience one copy of this memorandum has been attached at the head of the working papers and one copy has been separately bound.







